

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No. 10-46834

MIDWEST THEATRES CORPORATION,

Chapter 11

Debtor.

**NOTICE OF HEARING AND MOTION FOR ORDER AUTHORIZING
CONTINUED USE OF CASH COLLATERAL AND GRANTING ADEQUATE
PROTECTION**

TO: Entities Specified in Local Rule 9013-3.

1. Midwest Theatres Corporation (“Debtor”), by and through his undersigned counsel, moves the Court for the relief requested below and gives notice of hearing.

2. The Court will hold a hearing on this motion at **2:00 p.m. on January 12, 2011**, before Chief Judge Nancy C. Dreher, Courtroom 7W, U.S. Courthouse, 300 South Fourth Street, Minneapolis, MN 55415.

3. Any response to this Motion must be filed and served not later than **January 7, 2011**, which is five (5) days before the time set for the hearing (including Saturdays, Sundays, and holidays). **Unless a response opposing the Motion is timely filed, the Court may grant the relief requested in the Motion without a hearing.**

4. This Court has jurisdiction over this motion under 28. U.S.C. §§ 157 and 1334, Bankruptcy Rule 5005 and Local Rule 1070-1. This proceeding is a core proceeding. The petition commencing this case was filed on September 14, 2010 (the “Petition Date”). This case is now pending before this Court.

5. This motion arises under 11 U.S.C. § 363 and Bankruptcy Rule 4001(b). This motion is filed under Bankruptcy Rules 9014 and Local Rules 4001-2 and 9013. By this motion Debtor seeks authority for continued use of cash collateral through May 8, 2011 and to make interest payments and grant replacement liens as adequate protection (“Motion”). By Order dated October 6, 2010 this Court authorized the relief requested herein through January 8, 2011.

BUSINESS OF DEBTOR

6. The Debtor presently operates eight movie theatre cineplexes (76 screens) under the name CineMagic Theatres. The theatre cineplexes are located in Okoboji, Iowa, Menomonie, Wisconsin and Rochester (2), Austin, St. Peter, Hutchinson and Burnsville, Minnesota. The real estate and theatre buildings in Austin, Rochester and Burnsville are owned by unrelated parties and leased to the Debtor. The real estate and theatre buildings for the remaining cineplexes are owned by Cinema 1, LLP an affiliate of the Debtor now operating in a chapter 11 case pending before the Court.

7. Debtor is indebted to First Minnesota Bank (“FMB”) in the approximate amount of \$2,855,000 as of the Petition Date. Obligations owing FMB are secured by a second priority lien in substantially all personal property of the Debtor, including without limitation, accounts, inventory, equipment and general intangibles and a first priority lien in personal property of the Debtor used to operate the Menomonie, Wisconsin, Austin, Rochester Hollywood 12, Hutchinson and St. Michael Cineplexes. FMB has consented to the use of cash collateral pursuant to the terms of the Stipulation for use of Cash Collateral dated as of October 6, 2010 approved by the court by order dated October 6, 2010 (“Stipulation”).

8. Debtor is indebted to United Community Bank (“UCB”) in the approximate amount of \$3,173,900 as of the Petition Date. Obligations owing UCB are secured by a first priority lien in substantially all personal property of the Debtor, including without limitation, accounts, inventory, equipment and general intangibles, subject to certain agreements with FMB respecting the equipment used to operate the Hutchinson, Austin and St. Michael Cineplexes. The debt owing UCB is also secured by mortgage liens in the Okoboji, Iowa Cineplex building and land and the parking lot adjacent to the Debtor’s St. Michael, Minnesota Cineplex. UCB has consented to the use of cash collateral pursuant to the terms of the Stipulation.

9. Debtor is indebted to UBB in the approximate amount of \$8,600,000 as of the Petition Date. Obligations owing UBB are secured by a first mortgage lien in the St. Michael, Minnesota Cineplex land and building and a third priority lien in substantially all personal property of the Debtor, including without limitation, accounts, inventory, equipment and general intangibles. UBB has not consented to use of cash collateral.

10. Debtor is indebted to North Shore Bank (“NSB”) in the approximate amount of \$411,300 as of the Petition Date. Obligations owing NSB are secured by a first priority lien in equipment of the Debtor consisting of theatre seating presently located in the Debtor’s leased premises in St. Michael, Minnesota. NSB has not consented to the use of cash collateral.

11. Debtor is indebted to Citizens State Bank (“Citizens”) in the approximate amount of \$1,460,000 as of the Petition Date. Obligations owing Citizens are secured by a mortgage lien in Menomonie Cineplex building and land owned by Cinema 1, LLP and a lien in personal property of the Debtor used to operate the Menomonie Cineplex. Citizens has not consented to the use of cash collateral.

12. Debtor is indebted to the City of St. Peter ("St. Peter") in the approximate amount of \$75,000 as of the Petition Date. Obligations owing St. Peter are secured by a mortgage lien in personal property of the Debtor used to operate the St. Peter Cineplex. St. Peter has not consented to the use of cash collateral.

13. The Debtor seeks authority to use cash collateral for the purposes and in the approximate amounts set forth in the budget attached as **Exhibit A**.

ESTIMATED COLLATERAL VALUE

14. On the Petition Date and as of the date of the hearing on this Motion, the Debtor's collateral has the following estimated market value:

Cash	\$ 585,000
Inventory	80,000
Accounts	19,700
Estimated Furniture Fixtures and Equipment (replacement value)	<u>6,340,000</u>
Total	\$7,024,700

As of May 8, 2011, Debtor estimates that the Collateral's market value, will be:

Cash	\$ 215,000
Inventory	80,000
Accounts	46,000
Estimated Furniture Fixtures and Equipment (replacement value)	<u>6,340,000</u>
Total	\$6,681,000

ADEQUATE PROTECTION

15. Pursuant to the requirements of 11 U.S.C. § 363(e) and as more fully described below, the Debtor proposes as adequate protection for FMB, UCB, UBB, NSB, TBB, Citizens State

Bank and the City of St. Peter (collectively, the “Lenders”) to grant (i) replacement liens in the Lender’s collateral; and (ii) report cash collections and expenditures monthly.

16. As additional adequate protection for FMB, the Debtor proposes to make monthly payment of interest to FMB on the FMB debt as of the Petition Date commencing in October 2010 at the rate of six percent (6%) per annum, all as fully set forth in the Stipulation.

17. As additional adequate protection for UCB, the Debtor proposes to make monthly payment of interest on the UCB debt as of the Petition Date at the prepetition UCB Note rates, as amended and reduced by prepetition agreement, all as set forth in the Stipulation.

18. UCB and FMB have consented to use of cash collateral according to the terms of the Stipulation, as amended to extend the maturity date to May 8, 2011. The Lenders have otherwise not consented to the use of cash collateral on the terms proposed herein.

19. The Debtor has a need to use cash collateral through May 8, 2011 to pay operating expenses in the amounts identified in the Budget attached as **Exhibit A**. If the Debtor is not permitted to use cash collateral on an interim basis for the purposes set forth in the Budget from January 12, 2011 to May 8, 2011 the Debtor will suffer immediate and irreparable harm.

20. Prior to the hearing to consider the Motion Debtor will enter into a stipulation in substantially the form as the Stipulation. The Debtor will seek approval of such stipulation without further notice of hearing pursuant to Bankruptcy Rule 4001(d)(4), and **DEBTOR HEREBY GIVES NOTICE OF INTENT TO SEEK APPROVAL OF ANY SUCH STIPULATION.**

WHEREFORE, the Debtor moves the Court for an order:

1. Authorizing the continued use of cash collateral from January 9, 2011 through May 8, 2011;

2. Authorizing the Debtor to grant adequate protection as set forth in the Motion; and
3. Approving the First Amended Stipulation for use of Cash Collateral.

Dated: December 23, 2010

RAVICH MEYER KIRKMAN McGRATH
NAUMAN & TANSEY,
A PROFESSIONAL ASSOCIATION

By /e/ Michael F. McGrath #168610

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ATTORNEYS FOR DEBTOR

VERIFICATION

I, Bryan Sieve, Chief Financial Officer of Debtor, declare under penalty of perjury that the facts set forth in the foregoing Notice of Hearing and Motion for Order Authorizing Continued Use of Cash Collateral and Granting Adequate Protection, are true and correct according to the best of my knowledge, information and belief.

Executed on: December 23, 2010


Bryan Sieve

CineMagic Theatres

Consolidated Cash Stmt

Actual Thru CW12

(Subject to Adjustment)

EXHIBIT A

	Actual CW 1 Sep 13	Actual CW 2 Sep 19	Actual CW 3 Sep 26	Actual CW 4 Oct 3	Actual CW 5 Oct 10	Actual CW 6 Oct 17	Actual CW 7 Oct 24	Actual CW 8 Oct 31	Actual CW 8 Nov 7	Actual CW 9 Nov 14	Actual CW 10 Nov 21	Actual CW 11 Nov 28
	9/12-9/18/10	9/19-9/25/10	9/26-10/2/10	10/3-10/9/10	10/10-10/16/10	10/17-10/23/10	10/24-10/30/10	10/31-11/6/10	11/7-11/13/10	11/14-11/20/10	11/21-11/27/10	11/28-12/4/10
Budgeted Topline												
Budget Admissions (Gross)	90,169	103,800	119,622	114,021	189,964	157,122	140,224	137,195	157,015	260,702	376,873	151,393
Budget F&B (Gross)	39,631	45,500	52,578	50,379	83,136	68,778	61,727	60,605	68,985	114,598	166,727	66,907
Cash Inflows												
4001 - Admissions	95,220	114,042	82,823	86,514	135,893	200,766	125,782	158,867	146,913	231,165	317,258	111,058
4002 - F&B	41,780	52,765	37,407	39,630	53,614	77,314	50,846	65,569	65,938	100,249	139,443	55,380
4003 - Group/Event/Rental Rev	543	0	113	1,186	589	830	71	0	0	0	0	3,769
4010 - Miscellaneous Rev	415	16	25	682	311	0	0	14	819	1,256	250	553
4700 - CMS Revenue	0	0	0	0	0	890	0	0	411	0	0	0
Total Cash Inflows	137,958	166,823	120,368	128,012	190,407	280,690	176,699	224,450	214,492	332,670	456,951	170,760
Cash Sales Costs												
5001-2 - 3D Charges	0	12,800	0	0	0	382	4,275	0	0	690	664	4,275
5002 - Food & Beverage Exp	(10)	454	119	0	(15)	0	0	0	0	160	0	456
5003 - Party/Group/Events Exp.	0	0	0	0	0	0	0	0	0	0	0	0
Total Cash Sales Costs	(10)	13,254	119	0	(15)	382	4,275	0	0	850	664	4,731
Gross Cash Margin	137,968	153,569	120,249	128,012	190,422	280,308	172,424	224,450	214,492	331,820	456,287	166,029
Cash Expenses												
6010 - Advertising & Promotion	0	517	1,060	1,053	0	0	812	484	0	2,530	5,509	7,283
6020 - Financial Services Fees	0	0	146	0	0	0	0	97	0	0	0	86
6022 - Merchant Processing Fees	0	0	0	7,552	0	0	0	7,923	0	0	0	15,409
6025 - Fin/Lt. Chgs - Trade	0	0	0	21	0	0	0	0	0	0	0	0
6040 - Bad Checks	0	0	0	0	0	0	0	0	0	0	0	0
6041 - Bad Debt	0	0	0	0	0	0	0	0	0	0	0	0
6042 - Absorptions	0	0	0	0	0	0	0	0	0	0	0	0
6050 - Communications	1	2,528	343	361	0	299	2,024	74	375	683	1,797	332
6120 - Equipment Lease	0	117	0	0	0	0	0	0	0	1,794	0	26
6125 - Franchise Fees	0	0	0	0	0	0	0	0	0	0	0	0
6130 - Film Freight	0	1,577	1,409	1,279	0	378	143	608	0	1,073	818	66
6170 - Insurance	0	0	0	0	0	0	0	0	0	0	0	0
6190 - Licenses and Permits	0	0	0	0	0	0	0	0	0	0	225	813
6200 - Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0
6210 - Over & Short	8	0	0	0	1	0	0	0	0	0	0	0
6215 - Penalties & Fines	0	0	0	0	0	0	0	0	0	0	0	0
6220 - Postage and Shipping	0	604	0	0	0	0	0	48	0	0	0	0
6230 - Printing and Reproduction	0	0	46	0	0	0	0	0	0	0	0	0
6240 - Professional Fees	0	0	0	0	0	0	0	0	0	0	0	0
6300 - Rent Expense	0	20,250	7,718	65,797	0	20,210	14,409	154,308	16,435	0	0	242,057
6310 - Repairs & Maint. - Facilities	19	1	350	1,486	0	111	3,053	204	50	841	395	520
6320 - Repairs & Maint. - Technical	0	0	0	0	0	0	0	0	0	0	0	0
6325 - Repairs & Maint. - IT	0	0	0	700	0	700	16	0	700	700	1,319	700
6330 - Repairs & Maint. - Other	0	0	0	0	0	0	181	0	0	0	0	0
6334 - Janitorial & Conc Supplies	0	2,349	5	0	0	994	3,018	129	0	70	3,297	0
6335 - Janitorial	0	6,708	1,790	2,300	0	3,502	9,001	0	1,386	10,087	2,831	3,442
6340 - Wages	0	70,430	0	62,433	0	0	60,414	0	68,049	0	62,837	0
6345 - Contractor Services - Creative	0	0	0	0	0	0	0	0	0	0	0	0
6350 - Benefits	0	0	0	4,398	0	0	0	0	4,398	0	0	0
6370 - Wage Taxes & Work Comp	0	6,435	(1)	5,581	0	0	5,404	0	6,131	0	5,606	0
6380 - Security/Monitoring Svcs.	0	54	0	0	0	55	0	0	0	55	0	0
6390 - Ticket Paper	0	0	0	0	0	0	0	0	0	0	0	0
6400 - Training & Related	0	0	0	0	0	0	0	0	0	0	0	0
6420 - Transportation Expense	0	0	0	145	0	0	210	0	0	298	0	0
6440 - Trash Removal	0	0	173	188	0	2,184	170	170	0	2,494	165	799
6490 - Travel & Living	19	0	0	0	0	0	0	0	0	0	0	0
6500 - Supplies (Other)	42	242	119	0	0	0	0	0	0	0	0	0
6510 - A/V Subscriptions	0	0	0	0	0	0	0	0	0	0	0	0
6520 - Uniforms	0	0	0	0	0	0	0	0	0	0	0	0
6540 - Utilities	42	5,474	15,728	17,049	154	15,377	85	32	0	20,992	8,766	8,554
6550 - Taxes - Property	0	1,409	0	0	0	0	1,409	0	0	0	0	1,409
6555 - Taxes - Franchise	0	0	0	0	0	0	0	0	0	0	0	0
Total Cash Expense	131	118,695	28,886	170,343	155	43,810	100,349	164,077	97,524	41,617	93,565	281,496
Net Wkly Cash Flow	137,837	34,874	91,363	(42,331)	190,267	236,498	72,075	60,373	116,968	290,203	362,722	(115,467)
Other Income/Expense												
Total Other Cash Income	0	0	0	0	0	0	0	0	0	0	0	0
6853 - Theatre Deconstruction	0	0	0	0	0	0	0	0	0	0	0	0
6880 - Reorganization Expenses	0	0	0	0	0	325	0	0	0	0	12,829	0
6900 - Interest Expense	0	0	8,480	200	0	7,996	866	0	0	0	8,762	8,462
Total Other Cash Expense	0	0	8,480	200	0	8,321	866	0	0	0	21,591	8,462
Net Other Cash Income/Expense	0	0	(8,480)	(200)	0	(8,321)	(866)	0	0	0	(21,591)	(8,462)
Balance Sheet Cash Effect:												
1310 - Total Film Advances	0	(23,500)	0	(30,750)	0	0	0	0	0	0	0	0
2300 - Total Film Payable	0	(100,831)	(1,816)	(15,705)	(74,556)	(88,565)	(101,014)	(70,071)	(100,070)	(94,059)	(79,168)	(66,211)
1210 - F&B Inventory Purchases	0	0	(5,686)	(15,450)	0	(7,769)	(17,456)	(1,109)	0	(10,455)	(31,484)	0
1200 - PrePaid Expenses	0	0	0	0	0	0	0	0	0	0	0	0
1211 - Ticket Stock	0	0	0	0	0	0	0	0	0	0	0	0
2200 - Sales Tax Pmts	0	(114,844)	0	0	(12,442)	(4,434)	0	0	0	(45,916)	(11,199)	0
2500 - Accrued PPY Tax Pmts	0	0	(115,412)	(257,420)	0	0	0	0	0	0	0	0
2400 - Changes in Prepaid Sales	(30)	5,132	619	(376)	(1,789)	(846)	1,324	4,932	8,294	(10,747)	(2,558)	13,617
Other Sundry Balance Sheet Impact	(20,669)	15,298	(16,409)	15,833	(17,056)	927	182	(6,016)	155	(188)	3,144	(6,159)
Net Wk Change in Cash Position	117,138	(183,871)	(55,821)	(88,979)	(172,996)	127,490	(45,755)	(11,892)	25,346	128,838	219,866	(182,682)
Cum Change in Cash Op Position	117,138	(66,733)	(122,554)	(211,533)	(384,529)	(257,039)	(302,794)	(314,686)	(289,340)	(160,502)	59,364	(123,318)
Ending Cash	656,250	472,379	416,558	327,579	154,583	282,073	236,318	224,426	249,772	378,610	598,476	415,794
Memo: Cash Expenditures	(20,800)	(342,572)	(159,729)	(216,215)	(361,629)	(135,330)	(217,771)	(241,274)	(197,440)	(192,235)	(190,681)	(345,404)
Memo: Cum Cash Expenditures	(20,800)	(363,372)	(523,101)	(739,316)	(1,100,945)	(1,236,275)	(1,454,046)	(1,695,320)	(1,892,760)	(2,084,995)	(2,275,676)	(2,621,079)

CineMagic Theatres

Consolidated Cash Stmt

Actual Thru CW12

(Subject to Adjustment)

	Actual CW 12 Dec 5	Prelim CW 13 Dec 12	CW 14 Dec 19	CW 15 Dec 26	V3 CW 16 Jan 2	CW 17 Jan 9	CW 18 Jan 16	CW 19 Jan 23	CW 20 Jan 30	CW 21 Feb 6	CW 22 Feb 13	CW 23 Feb 20
	12/5 - 12/11	12/12 - 12/18	12/19 - 12/25	12/26 - 1/1	1/2 - 1/8	1/9 - 1/15	1/16 - 1/22	1/23 - 1/29	1/30 - 2/5	2/6 - 2/12	2/13 - 2/19	2/20 - 2/26
Budgeted Topline												
Budget Admissions (Gross)	118,729	121,740	202,789	429,622	163,941	168,008	211,031	152,816	167,399	161,236	222,210	165,755
Budget F&B (Gross)	52,271	53,660	89,270	189,578	71,850	73,912	92,874	67,180	73,701	71,064	98,290	72,845
Cash Inflows												
4001 - Admissions	71,183	114,443	202,789	429,622	163,941	168,008	211,031	152,816	167,399	161,236	222,210	165,755
4002 - F&B	34,722	57,338	89,269	189,578	71,850	73,911	92,874	67,180	73,701	71,064	98,290	72,845
4003 - Group/Event/Rental Rev	444	1,044	0	0	0	0	0	0	0	0	0	0
4010 - Miscellaneous Rev	249	924	0	0	0	0	0	0	0	0	0	0
4700 - CMS Revenue	108,111	0	0	9,800	0	0	0	9,800	0	0	0	59,800
Total Cash Inflows	214,709	173,749	292,059	628,999	235,791	241,920	303,905	229,796	241,100	232,300	320,500	298,400
Cash Sales Costs												
5001-2 - 3D Charges	6,710	0	8,155	3,680	1,430	2,004	814	3,007	1,066	782	832	788
5002 - Food & Beverage Exp	(170)	(24,525)	400	(4,341)	0	0	0	(15,500)	(3,400)	0	0	0
5003 - Party/Group/Events Exp.	0	0	6	8	10	0	0	0	0	0	0	0
Total Cash Sales Costs	6,540	(24,525)	8,561	(653)	1,440	2,004	814	(12,493)	(2,334)	782	832	788
Gross Cash Margin	208,169	198,274	283,498	629,652	234,351	239,916	303,091	242,289	243,433	231,517	319,668	297,612
Cash Expenses												
6010 - Advertising & Promotion	981	6	9,549	4,345	247	47	7,247	2,959	235	247	6,447	2,959
6020 - Financial Services Fees	0	0	0	275	0	15	0	135	137	18	0	135
6022 - Merchant Processing Fees	0	0	0	0	18,212	0	0	0	14,728	0	0	0
6025 - Fin/Lt. Chgs - Trade	0	0	0	0	0	0	0	0	0	0	0	0
6040 - Bad Checks	(6)	0	0	35	0	0	0	0	35	0	0	0
6041 - Bad Debt	0	0	0	0	0	0	0	0	0	0	0	0
6042 - Absorptions	0	0	0	0	0	0	0	0	0	0	0	0
6050 - Communications	522	0	2,266	710	375	85	2,035	722	518	0	1,258	722
6120 - Equipment Lease	1,713	0	15	0	0	1,765	0	15	1,765	0	0	15
6125 - Franchise Fees	0	0	0	0	0	0	0	0	0	0	0	0
6130 - Film Freight	1,420	300	706	1,096	706	706	706	1,096	706	706	706	1,096
6170 - Insurance	0	0	0	0	0	0	0	0	0	0	0	0
6190 - Licenses and Permits	190	0	0	0	0	0	0	0	0	0	0	0
6200 - Miscellaneous	0	0	0	0	0	0	0	0	0	0	0	0
6210 - Over & Short	0	0	53	63	53	53	53	53	53	53	53	53
6215 - Penalties & Fines	0	0	0	0	0	0	0	0	0	0	0	0
6220 - Postage and Shipping	0	0	210	34	0	25	25	45	44	25	35	35
6230 - Printing and Reproduction	0	0	0	0	0	0	0	0	0	0	0	0
6240 - Professional Fees	0	0	0	0	0	0	10,000	0	0	0	0	0
6300 - Rent Expense	71,229	0	1,708	19,612	326,068	11,684	5,580	13,340	223,995	6,000	5,400	14,500
6310 - Repairs & Maint. - Facilities	87	0	3,642	5,002	260	1,150	1,150	3,094	1,825	1,150	1,150	3,252
6320 - Repairs & Maint. - Technical	0	11	105	178	0	1,235	1,945	2,676	885	1,235	1,475	1,796
6325 - Repairs & Maint. - IT	0	700	0	1,940	700	5,100	700	140	720	0	700	140
6330 - Repairs & Maint. - Other	0	0	375	275	0	0	0	400	100	0	0	400
6334 - Janitorial & Conc Supplies	447	0	931	931	906	991	931	931	866	866	866	926
6335 - Janitorial	9,256	0	7,242	3,044	6,954	427	4,581	6,405	427	6,369	427	9,974
6340 - Wages	73,258	0	69,971	0	84,028	0	77,487	0	0	73,567	0	71,782
6345 - Contractor Services - Creative	0	0	0	0	0	0	0	0	0	0	0	0
6350 - Benefits	4,499	0	0	0	4,700	0	0	0	4,700	0	0	0
6370 - Wage Taxes & Work Comp	6,691	0	6,727	8,093	8,093	0	8,058	0	0	7,631	0	7,430
6380 - Security/Monitoring Svcs.	0	0	55	0	0	0	30	25	0	0	25	30
6390 - Ticket Paper	0	0	0	0	0	0	0	0	0	0	0	0
6400 - Training & Related	0	0	0	0	0	0	0	0	0	0	0	0
6420 - Transportation Expense	145	0	276	153	610	0	0	20	745	0	0	20
6440 - Trash Removal	0	0	1,800	2,335	0	237	1,057	1,200	170	402	870	2,750
6490 - Travel & Living	0	0	0	700	0	0	0	700	0	0	0	700
6500 - Supplies (Other)	0	0	355	45	35	110	140	160	130	110	140	160
6510 - A/V Subscriptions	0	0	0	0	0	0	0	0	0	0	0	0
6520 - Uniforms	0	0	0	0	0	0	0	0	0	0	0	0
6540 - Utilities	25,462	2,198	5,935	7,810	7,690	16,266	15,840	1,790	19,103	3,265	26,326	1,190
6550 - Taxes - Property	1,409	0	0	0	1,409	0	0	0	1,409	0	0	0
6555 - Taxes - Franchise	0	0	0	0	0	1,250	0	0	0	0	0	0
Total Cash Expense	197,303	3,215	111,921	48,583	461,045	41,146	137,565	35,906	273,296	101,644	45,878	120,065
Net Wkly Cash Flow	10,866	195,059	171,576	581,069	(226,695)	198,770	165,526	206,383	(29,863)	129,874	273,790	177,546
Other Income/Expense												
Total Other Cash Income	0	0	0	0	0	0	0	0	0	0	0	0
6853 - Theatre Deconstruction	898	0	1,400	1,500	2,400	0	0	750	0	0	0	750
6880 - Reorganization Expenses	0	4,550	10,238	8,904	10,000	0	10,500	0	20,000	0	0	0
6900 - Interest Expense	7,996	0	0	8,606	198	0	8,050	8,606	198	0	8,050	198
Total Other Cash Expense	8,894	4,550	11,638	19,010	12,598	0	18,550	9,356	20,198	0	8,050	948
Net Other Cash Income/Expense	(8,894)	(4,550)	(11,638)	(19,010)	(12,598)	0	(18,550)	(9,356)	(20,198)	0	(8,050)	(948)
Balance Sheet Cash Effect:												
1310 - Total Film Advances	0	0	0	0	0	0	0	0	0	0	0	0
2300 - Total Film Payable	(195,722)	(144,999)	(73,835)	(114,395)	(51,263)	(40,052)	(109,506)	(231,996)	(88,528)	(90,725)	(113,957)	(82,521)
1210 - F&B Inventory Purchases	(27,819)	(469)	(22,214)	(17,628)	0	(37,057)	0	(30,021)	0	(25,358)	0	(30,484)
1200 - PrePaid Expenses	0	0	0	0	0	(22,000)	0	(11,000)	0	0	(11,000)	0
1211 - Ticket Stock	0	0	0	(4,700)	0	0	0	0	0	0	0	0
2200 - Sales Tax Pmts	0	(67,700)	(13,558)	0	0	(65,941)	(6,850)	0	0	0	(58,682)	(6,141)
2500 - Accrued PPY Tax Pmts	0	0	0	0	0	0	0	0	(28,005)	0	0	0
2400 - Changes in Prepaid Sales	10,109	21,066	40,000	53,000	(5,214)	67	(6,316)	(3,755)	(5,635)	(4,147)	(7,221)	(6,074)
Other Sundry Balance Sheet Impact	22,968	0	0	0	(9,000)	0	0	0	0	0	0	0
Net Wk Change in Cash Position	(188,492)	(1,593)	90,331	478,336	(304,769)	33,788	24,304	(79,745)	(172,229)	9,644	74,880	51,379
Cum Change in Cash Op Position	(311,810)	(313,403)	(223,072)	255,264	(49,505)	(15,717)	8,587	(71,159)	(243,388)	(233,744)	(158,864)	(107,485)
Ending Cash	227,302	225,709	316,040	794,376	489,607	523,395	547,699	467,953	295,724	305,368	380,248	431,627
Memo: Cash Expenditures	(388,982)	(211,833)	(209,890)	(166,296)	(508,710)	(184,195)	(235,371)	(288,567)	(369,631)	(217,727)	(210,467)	(238,263)
Memo: Cum Cash Expenditures	(3,010,061)	(3,221,894)	(3,431,785)	(3,598,081)	(4,106,791)	(4,290,986)	(4,526,357)	(4,814,924)	(5,184,556)	(5,402,282)	(5,612,749)	(5,851,012)

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CineMagic Theatres

Consolidated Cash Stmt

Actual Thru CW12

(Subject to Adjustment)

	CW 24	CW 25	CW 26	CW 27	CW 28	CW 29	CW 30	V4 CW 31	CW 32	CW 33	CW 34
	Feb 27	Mar 6	Mar 13	Mar 20	Mar 27	Apr 3	Apr 10	Apr 17	Apr 24	May 1	May 8
	2/27 - 3/5	3/6 - 3/12	3/13 - 3/19	3/20 - 2/26	3/27 - 4/2	4/3 - 4/9	4/10 - 4/16	4/17 - 4/23	4/24 - 4/30	5/1 - 5/7	5/8 - 5/14
Budgeted Topline											
Budget Admissions (Gross)	164,885	164,253	178,610	161,815	169,052	165,328	145,302	123,884	128,160	140,682	212,712
Budget F&B (Gross)	72,415	72,247	78,390	71,085	74,348	72,772	63,698	54,716	56,340	62,118	93,288
Cash Inflows											
4001 - Admissions	164,885	164,253	178,610	161,815	169,052	165,328	145,302	123,884	128,160	140,682	212,712
4002 - F&B	72,415	72,247	78,390	71,085	74,348	72,772	63,698	54,716	56,340	62,118	93,288
4003 - Group/Event/Rental Rev	0	0	0	0	0	0	0	0	0	0	0
4010 - Miscellaneous Rev	0	0	0	0	0	0	0	0	0	0	0
4700 - CMS Revenue	0	0	0	9,800	0	0	0	0	9,800	0	0
Total Cash Inflows	237,300	236,500	257,000	242,700	243,400	238,100	209,000	178,600	194,300	202,800	306,000
Cash Sales Costs											
5001-2 - 3D Charges	3,244	5,078	836	816	888	797	844	834	709	597	625
5002 - Food & Beverage Exp	0	0	0	0	0	0	0	0	0	0	0
5003 - Party/Group/Events Exp.	0	0	0	0	0	0	0	0	0	0	0
Total Cash Sales Costs	3,244	5,078	836	816	888	797	844	834	709	597	625
Gross Cash Margin	234,055	231,421	256,164	241,883	242,511	237,303	208,156	177,766	193,590	202,203	305,374
Cash Expenses											
6010 - Advertising & Promotion	435	47	7,247	2,222	1,072	247	847	6,877	2,529	735	847
6020 - Financial Services Fees	158	0	0	5	288	0	0	0	203	90	0
6022 - Merchant Processing Fees	14,829	0	0	0	17,641	0	0	0	0	11,759	0
6025 - Fin/Lt. Chgs - Trade	0	0	0	0	0	0	0	0	0	0	0
6040 - Bad Checks	35	0	0	0	35	0	0	0	35	0	0
6041 - Bad Debt	0	0	0	0	0	0	0	0	0	0	0
6042 - Absortions	0	0	0	0	0	0	0	0	0	0	0
6050 - Communications	518	0	2,120	214	651	375	233	2,042	567	518	233
6120 - Equipment Lease	1,765	0	0	15	1,765	0	0	15	0	1,765	0
6125 - Franchise Fees	0	0	0	0	0	0	0	0	0	0	0
6130 - Film Freight	706	706	706	706	1,096	706	706	706	1,096	706	706
6170 - Insurance	0	0	0	0	0	0	0	0	0	0	0
6190 - Licenses and Permits	0	0	0	0	0	0	0	0	0	0	0
6200 - Miscellaneous	0	0	0	0	0	0	0	0	0	0	0
6210 - Over & Short	53	53	53	53	53	53	53	53	53	53	53
6215 - Penalties & Fines	0	0	0	0	0	0	0	0	0	0	0
6220 - Postage and Shipping	44	25	35	35	44	25	25	35	35	44	25
6230 - Printing and Reproduction	0	0	0	0	0	0	0	0	0	0	0
6240 - Professional Fees	0	0	0	0	0	0	0	0	0	0	0
6300 - Rent Expense	149,276	5,200	5,360	6,080	188,208	5,480	5,180	4,520	10,920	122,638	4,940
6310 - Repairs & Maint. - Facilities	1,825	1,150	1,150	1,880	2,547	1,075	1,075	1,075	1,802	1,330	1,080
6320 - Repairs & Maint. - Technical	885	1,235	1,275	2,611	1,970	885	1,235	1,825	2,096	1,235	885
6325 - Repairs & Maint. - IT	720	0	700	40	820	0	700	0	140	720	0
6330 - Repairs & Maint. - Other	100	0	0	400	300	0	0	0	400	100	0
6334 - Janitorial & Conc Supplies	866	916	916	931	991	881	881	866	926	891	891
6335 - Janitorial	427	6,054	427	8,469	1,817	6,254	427	7,167	3,044	4,954	1,652
6340 - Wages	0	66,970	0	70,115	650	69,845	0	69,345	0	0	69,122
6345 - Contractor Services - Creative	0	0	0	0	0	0	0	0	0	0	0
6350 - Benefits	4,700	0	0	0	0	4,700	0	0	0	4,700	0
6370 - Wage Taxes & Work Comp	0	6,915	0	7,250	69	7,214	0	7,157	0	0	7,140
6380 - Security/Monitoring Svcs.	0	0	25	30	0	0	0	55	0	0	0
6390 - Ticket Paper	0	0	0	0	0	0	0	0	0	0	0
6400 - Training & Related	0	0	0	0	0	0	0	0	0	0	0
6420 - Transportation Expense	745	0	0	0	765	0	0	0	165	600	0
6440 - Trash Removal	170	237	1,057	1,200	170	0	402	3,320	300	170	237
6490 - Travel & Living	0	2,200	0	0	0	0	0	0	700	0	0
6500 - Supplies (Other)	130	110	110	170	150	110	110	170	150	110	110
6510 - A/V Subscriptions	0	0	0	0	0	0	0	0	0	0	0
6520 - Uniforms	0	0	0	0	0	0	0	0	0	0	0
6540 - Utilities	20,603	2,774	26,676	3,655	20,228	0	16,970	10,338	8,600	8,003	5,272
6550 - Taxes - Property	1,409	0	0	0	0	1,409	0	0	0	1,409	0
6555 - Taxes - Franchise	0	0	0	0	0	0	1,250	0	0	0	0
Total Cash Expense	200,399	94,592	47,857	106,080	241,330	99,258	30,094	115,566	33,761	162,530	93,193
Net Wkly Cash Flow	33,656	136,830	208,307	135,803	1,181	138,045	178,062	62,200	159,829	39,673	212,181
Other Income/Expense											
Total Other Cash Income	0	0	0	0	0	0	0	0	0	0	0
6853 - Theatre Deconstruction	0	0	0	750	0	0	0	0	750	0	0
6880 - Reorganization Expenses	20,000	0	0	0	20,000	0	0	10,500	0	20,000	0
6900 - Interest Expense	8,606	0	8,050	0	8,606	198	8,050	0	8,606	198	0
Total Other Cash Expense	28,606	0	8,050	750	28,606	198	8,050	10,500	9,356	20,198	0
Net Other Cash Income/Expense	(28,606)	0	(8,050)	(750)	(28,606)	(198)	(8,050)	(10,500)	(9,356)	(20,198)	0
Balance Sheet Cash Effect:											
1310 - Total Film Advances	0	0	0	0	0	0	0	0	0	0	0
2300 - Total Film Payable	(90,395)	(87,067)	(119,993)	(89,508)	(89,038)	(88,697)	(96,449)	(87,380)	(91,288)	(89,277)	(78,463)
1210 - F&B Inventory Purchases	0	(26,147)	0	(27,115)	0	(26,178)	0	(24,565)	0	(19,990)	0
1200 - PrePaid Expenses	0	0	(11,000)	0	0	0	(11,000)	0	0	0	(11,000)
1211 - Ticket Stock	0	0	0	0	0	0	0	0	0	0	0
2200 - Sales Tax Pmts	0	0	(60,089)	(6,268)	0	0	(70,527)	(7,367)	0	0	(47,125)
2500 - Accrued PPY Tax Pmts	0	0	0	0	(14,410)	0	0	0	0	0	0
2400 - Changes in Prepaid Sales	(3,976)	(9,438)	(2,110)	(5,078)	(2,238)	(2,600)	(4,220)	184	266	(2,644)	(5,858)
Other Sundry Balance Sheet Impact	0	0	0	0	0	0	0	0	0	0	0
Net Wk Change in Cash Position	(89,321)	14,178	7,064	7,085	(133,110)	20,372	(12,185)	(67,427)	59,451	(92,436)	69,735
Cum Change in Cash Op Position	(196,806)	(182,629)	(175,565)	(168,480)	(301,590)	(281,218)	(293,403)	(360,830)	(301,379)	(393,815)	(324,081)
Ending Cash	342,306	356,483	363,547	370,632	237,522	257,894	245,709	178,282	237,733	145,297	215,031
Memo: Cash Expenditures	(262,188)	(207,806)	(219,890)	(228,220)	(316,172)	(213,935)	(189,020)	(224,377)	(115,693)	(251,599)	(218,781)
Memo: Cum Cash Expenditures	(6,113,200)	(6,321,006)	(6,540,896)	(6,769,116)	(7,085,288)	(7,299,223)	(7,488,243)	(7,712,620)	(7,828,313)	(8,079,912)	(8,298,694)

CineMagic Theatres

Consolidated Cash Stmt

Actual Thru CW12

(Subject to Adjustment)

	CW 35 May 15 5/15 - 5/21	CW 36 May 22 5/22 - 5/28	CW 37 May 29 5/29 - 6/4	CW 38 Jun 5 6/5 - 6/11	CW 39 Jun 12 6/12 - 6/18	CW 40 Jun 19 6/19 - 6/25	CW 41 Jun 26 6/26 - 7/2	CW 42 Jul 3 7/3 - 7/9	CW 43 Jul 10 7/10 - 7/16	CW 44 Jul 17 7/17 - 7/23	V5 CW 45 Jul 24 7/24 - 7/31
Budgeted Topline											
Budget Admissions (Gross)	166,115	209,251	220,837	203,988	213,861	269,116	322,596	337,896	279,756	288,720	225,718
Budget F&B (Gross)	73,385	91,849	97,363	90,312	94,339	118,584	142,404	149,704	123,544	127,580	99,782
Cash Inflows											
4001 - Admissions	129,890	209,251	220,837	203,988	213,861	269,116	322,596	337,896	279,756	288,720	225,718
4002 - F&B	57,110	91,849	97,362	90,311	94,338	118,583	142,403	149,703	123,543	127,579	99,781
4003 - Group/Event/Rental Rev	0	0	0	0	0	0	0	0	0	0	0
4010 - Miscellaneous Rev	0	0	0	0	0	0	0	0	0	0	0
4700 - CMS Revenue	35,400	9,800	0	0	0	0	9,800	0	0	0	9,800
Total Cash Inflows	222,400	310,900	318,199	294,299	308,199	387,699	474,799	487,599	403,299	416,299	335,299
Cash Sales Costs											
5001-2 - 3D Charges	275	945	741	942	1,016	3,067	7,394	3,373	1,427	3,583	7,630
5002 - Food & Beverage Exp	(27,710)	(3,200)	0	0	0	0	0	0	0	0	0
5003 - Party/Group/Events Exp.	0	0	0	0	0	0	0	0	0	0	0
Total Cash Sales Costs	(27,435)	(2,255)	741	942	1,016	3,067	7,394	3,373	1,427	3,583	7,630
Gross Cash Margin	249,834	313,155	317,459	293,358	307,183	384,632	467,406	484,225	401,872	412,716	327,669
Cash Expenses											
6010 - Advertising & Promotion	3,200	3,759	335	1,047	6,447	1,812	2,182	1,047	6,447	1,812	2,182
6020 - Financial Services Fees	0	135	158	0	0	130	175	0	0	0	225
6022 - Merchant Processing Fees	0	0	19,540	0	0	0	19,896	1,016	0	0	0
6025 - Fin/Li. Chgs - Trade	0	0	0	0	0	0	0	0	0	0	0
6040 - Bad Checks	0	35	0	0	0	0	35	0	0	0	35
6041 - Bad Debt	0	0	0	0	0	0	0	0	0	0	0
6042 - Absorptions	0	0	0	0	0	0	0	0	0	0	0
6050 - Communications	1,611	567	518	0	1,975	808	577	0	1,095	1,180	942
6120 - Equipment Lease	15	0	1,765	0	0	15	1,765	0	0	15	0
6125 - Franchise Fees	0	0	0	0	0	0	0	0	0	0	0
6130 - Film Freight	561	1,096	706	706	706	706	1,096	706	706	706	1,096
6170 - Insurance	0	0	0	0	0	0	0	0	0	0	0
6190 - Licenses and Permits	0	0	0	0	0	0	0	0	0	0	0
6200 - Miscellaneous	0	0	0	0	0	0	0	0	0	0	0
6210 - Over & Short	45	53	53	53	53	53	53	53	53	53	53
6215 - Penalties & Fines	0	0	0	0	0	0	0	0	0	0	0
6220 - Postage and Shipping	35	35	44	25	35	25	54	25	35	25	40
6230 - Printing and Reproduction	0	0	0	0	0	0	0	0	0	0	0
6240 - Professional Fees	0	0	0	0	0	0	0	0	0	0	0
6300 - Rent Expense	7,220	6,300	237,708	7,200	7,020	6,560	323,236	11,800	12,000	9,400	16,300
6310 - Repairs & Maint. - Facilities	750	1,370	1,792	1,080	1,080	1,370	2,067	1,080	1,080	1,370	2,067
6320 - Repairs & Maint. - Technical	495	1,601	2,730	1,585	925	3,101	1,980	885	925	3,601	2,230
6325 - Repairs & Maint. - IT	700	0	840	20	700	0	840	5,120	700	0	140
6330 - Repairs & Maint. - Other	600	100	300	100	0	100	300	100	0	400	300
6334 - Janitorial & Conc Supplies	681	931	1,041	996	996	996	1,106	1,046	1,046	1,046	1,066
6335 - Janitorial	427	5,008	1,817	6,304	427	8,494	1,817	6,379	427	7,392	3,044
6340 - Wages	0	74,707	0	75,327	0	77,242	0	82,222	0	86,017	0
6345 - Contractor Services - Creative	0	0	0	0	0	0	0	0	0	0	0
6350 - Benefits	0	0	4,700	0	0	0	0	4,700	0	0	0
6370 - Wage Taxes & Work Comp	0	7,706	0	7,776	0	7,959	0	8,499	0	8,888	0
6380 - Security/Monitoring Svcs.	25	30	0	0	25	30	0	0	0	55	0
6390 - Ticket Paper	0	0	0	0	0	0	0	0	0	0	0
6400 - Training & Related	0	0	0	0	0	0	0	0	0	0	0
6420 - Transportation Expense	0	0	765	0	0	0	765	0	0	0	765
6440 - Trash Removal	1,935	0	470	0	1,952	1,670	470	0	424	1,970	1,850
6490 - Travel & Living	0	0	700	0	0	0	700	0	0	0	700
6500 - Supplies (Other)	75	170	150	110	110	170	150	110	110	170	150
6510 - AV Subscriptions	0	0	0	0	0	0	0	0	0	0	0
6520 - Uniforms	0	0	0	0	0	0	0	0	0	0	0
6540 - Utilities	4,200	1,605	15,703	1,363	16,609	1,424	7,675	8,003	8,486	14,784	13,965
6550 - Taxes - Property	0	0	0	1,409	0	0	0	1,409	0	0	0
6555 - Taxes - Franchise	0	0	0	0	0	0	0	1,250	0	0	0
Total Cash Expense	22,575	105,208	291,835	105,101	39,060	112,665	366,939	134,199	34,784	138,884	47,140
Net Wkly Cash Flow	227,259	207,947	25,624	188,257	268,123	271,967	100,467	350,026	367,088	273,832	280,529
Other Income/Expense											
Total Other Cash Income	0	0	0	0	0	0	0	0	0	0	0
6853 - Theatre Deconstruction	0	0	750	0	0	0	750	0	0	0	750
6880 - Reorganization Expenses	0	0	20,000	0	0	0	20,000	0	10,500	0	20,000
6900 - Interest Expense	7,700	0	8,804	0	8,050	0	8,804	0	8,050	0	8,606
Total Other Cash Expense	7,700	0	29,554	0	8,050	0	29,554	0	18,550	0	29,356
Net Other Cash Income/Expense	(7,700)	0	(29,554)	0	(8,050)	0	(29,554)	0	(18,550)	0	(29,356)
Balance Sheet Cash Effect:											
1310 - Total Film Advances	0	0	0	0	0	0	0	0	0	0	0
2300 - Total Film Payable	(50,130)	(69,206)	(75,968)	(114,864)	(89,702)	(112,996)	(119,252)	(110,154)	(115,485)	(145,323)	(174,202)
1210 - F&B Inventory Purchases	(22,404)	0	(29,742)	0	(33,781)	0	(38,326)	0	(52,579)	0	(45,202)
1200 - PrePaid Expenses	0	0	0	0	(11,000)	0	0	0	(11,000)	0	0
1211 - Ticket Stock	0	0	0	0	0	0	0	0	0	0	0
2200 - Sales Tax Pmts	(3,552)	0	0	0	(79,448)	(8,194)	0	0	(85,406)	(8,671)	0
2500 - Accrued PPY Tax Pmts	(194,935)	0	(5,800)	0	0	0	0	0	0	0	(28,005)
2400 - Changes in Prepaid Sales	2,586	(1,562)	(1,446)	(1,695)	(32)	(715)	(9,341)	(33,264)	(4,575)	(4,665)	(4,419)
Other Sundry Balance Sheet Impact	0	0	0	0	0	0	0	0	0	0	0
Net Wk Change in Cash Position	(48,876)	137,179	(116,886)	71,698	46,110	150,062	(96,006)	206,609	79,493	115,173	(655)
Cum Change in Cash Op Position	(372,956)	(235,778)	(352,664)	(280,966)	(234,857)	(84,795)	(180,801)	25,807	105,300	220,474	219,819
Ending Cash	166,156	303,334	186,448	258,146	304,255	454,317	358,311	564,919	644,412	759,586	758,931
Memo: Cash Expenditures	(285,896)	(174,414)	(373,791)	(219,965)	(233,941)	(233,855)	(494,963)	(244,353)	(269,704)	(292,878)	(265,193)
Memo: Cum Cash Expenditures	(8,584,590)	(8,759,004)	(9,132,795)	(9,352,760)	(9,586,701)	(9,820,557)	(10,315,520)	(10,559,872)	(10,829,576)	(11,122,454)	(11,387,647)

CineMagic Theatres

**Topline Gross Revenues by Unit
Budget & Actual**

CW 1 CW 2 CW 3 CW 4 CW 5 CW 6 CW 7 CW 8 CW 8 CW 9 CW 10 CW 11 CW 12 CW 13
9/12-9/18/10 9/19-9/25/10 9/26-10/2/10 10/3-10/9/10 10/10-10/16/10 10/17-10/23/10 10/24-10/30/10 10/31-11/6/10 11/7-11/13/10 11/14-11/20/10 11/21-11/27/10 11/28-12/4/10 12/5-12/11 12/12-12/18 12

BUDGET

	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0
01-OKO7	3,953	5,226	6,231	7,772	8,777	8,710	7,638	8,911	6,968	14,204	23,182	8,509	6,164	6,566
02-HUT9	5,916	6,120	7,956	8,976	12,376	9,860	10,540	11,968	10,540	15,640	29,376	12,512	8,704	9,180
03-AUS7	4,828	5,304	6,664	6,324	9,588	8,024	8,296	8,364	9,112	13,260	25,976	10,744	8,092	6,732
04-MEN7	5,110	6,300	7,280	9,730	11,060	10,920	9,660	9,800	10,010	16,800	29,190	11,620	8,260	7,210
05-HW12	11,424	12,036	14,212	12,852	22,304	14,280	12,580	13,056	16,252	28,968	49,096	17,544	13,464	13,532
06-SPR5	1,380	1,518	2,139	2,001	3,243	2,415	2,105	2,346	3,450	11,040	12,903	4,209	3,174	3,243
08-CHA14	22,839	24,909	28,635	27,600	41,676	38,019	38,640	35,535	41,469	62,100	79,350	34,638	26,496	31,257
09-BVL15	34,719	42,387	46,505	38,766	80,940	64,894	50,765	47,215	59,214	98,690	127,800	51,617	44,375	44,020
	90,169	103,800	119,622	114,021	189,964	157,122	140,224	137,195	157,015	260,702	376,873	151,393	118,729	121,740
	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc
01-OKO7	1,947	2,574	3,069	3,828	4,323	4,290	3,762	4,389	3,432	6,996	11,418	4,191	3,036	3,234
02-HUT9	2,784	2,880	3,744	4,224	5,824	4,640	4,960	5,632	4,960	7,360	13,824	5,888	4,096	4,320
03-AUS7	2,272	2,496	3,136	2,976	4,512	3,776	3,904	3,936	4,288	6,240	12,224	5,056	3,808	3,168
04-MEN7	2,190	2,700	3,120	4,170	4,740	4,680	4,140	4,200	4,290	7,200	12,510	4,980	3,540	3,090
05-HW12	5,376	5,664	6,688	6,048	10,496	6,720	5,920	6,144	7,648	13,632	23,104	8,256	6,336	6,368
06-SPR5	620	682	961	899	1,457	1,085	946	1,054	1,550	4,960	5,797	1,891	1,426	1,457
08-CHA14	10,261	11,191	12,865	12,400	18,724	17,081	17,360	15,965	18,631	27,900	35,650	15,562	11,904	14,043
09-BVL15	14,181	17,313	18,995	15,834	33,060	26,506	20,735	19,285	24,186	40,310	52,200	21,083	18,125	17,980
	39,631	45,500	52,578	50,379	83,136	68,778	61,727	60,605	68,985	114,598	166,727	66,907	52,271	53,660

ACUTAL

	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0
01-OKO7	-	-	-	-	-	6,632	6,696	8,303	8,478	11,047	17,397	5,083	2,445	3,648
02-HUT9	-	-	-	-	-	13,935	11,737	12,385	9,588	16,547	21,850	7,722	5,040	4,326
03-AUS7	-	-	-	-	-	9,232	5,740	8,526	8,585	12,698	22,259	6,026	5,206	3,267
04-MEN7	-	-	-	-	-	12,686	11,162	12,247	9,270	19,567	20,940	8,187	4,546	4,264
05-HW12	-	-	-	-	-	24,614	13,593	19,407	22,266	25,488	40,354	12,835	8,823	5,923
06-SPR5	-	-	-	-	-	2,737	2,219	3,781	3,632	7,839	10,906	3,528	1,665	1,910
08-CHA14	-	-	-	-	-	55,190	30,915	36,247	36,896	48,278	66,953	22,378	17,010	18,319
09-BVL15	-	-	-	-	-	75,740	43,720	57,972	48,198	89,701	116,601	45,300	26,448	32,512
	-	-	-	-	-	200,766	125,782	158,867	146,913	231,165	317,258	111,058	71,183	74,170
	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc
01-OKO7	-	-	-	-	-	3,161	3,159	3,948	4,291	5,754	9,008	3,024	1,544	1,911
02-HUT9	-	-	-	-	-	5,715	4,636	5,090	4,337	8,627	11,042	4,507	2,820	2,250
03-AUS7	-	-	-	-	-	4,008	2,535	3,386	3,664	5,898	10,554	2,990	2,490	1,542
04-MEN7	-	-	-	-	-	4,442	3,859	4,263	3,354	7,076	8,678	4,165	1,922	1,842
05-HW12	-	-	-	-	-	10,600	5,638	8,010	9,507	10,930	17,073	6,206	4,161	2,618
06-SPR5	-	-	-	-	-	1,144	873	1,674	1,556	3,044	4,661	2,162	751	846
08-CHA14	-	-	-	-	-	20,919	12,779	15,915	19,321	23,065	30,129	12,080	9,172	11,048
09-BVL15	-	-	-	-	-	27,327	17,367	23,282	19,908	35,855	48,297	20,246	11,862	12,867
	-	-	-	-	-	77,314	50,846	65,569	65,938	100,249	139,443	55,380	34,722	34,923

CineMagic Theatres

Topline Gross Revenues by Unit
Budget & Actual

V4

	CW 19 1/23 - 1/29	CW 20 1/30 - 2/5	CW 21 2/6 - 2/12	CW 22 2/13 - 2/19	CW 23 2/20 - 2/26	CW 24 2/27 - 3/5	CW 25 3/6 - 3/12	CW 26 3/13 - 3/19	CW 27 3/20 - 2/26	CW 28 3/27 - 4/2	CW 29 4/3 - 4/9	CW 30 4/10 - 4/16	CW 31 4/17 - 4/23	CW 32 4/24 - 4/30
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BUDGET

	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0
01-OKO7	7,091	8,107	8,710	10,050	8,978	9,045	7,370	7,705	9,045	8,040	6,968	6,834	7,437	6,633
02-HUT9	9,832	10,880	12,376	16,660	10,880	10,200	12,376	11,696	11,900	12,648	13,192	9,928	7,480	8,296
03-AUS7	8,547	10,064	9,112	14,280	9,452	8,160	10,064	10,404	9,248	9,656	9,520	8,296	8,704	8,296
04-MEN7	9,129	10,500	10,850	15,400	10,360	10,360	10,220	11,130	9,800	10,360	10,360	9,940	9,170	7,770
05-HW12	17,350	20,400	18,360	27,200	17,680	17,680	18,224	20,672	16,660	18,632	17,612	15,368	15,028	14,552
06-SPR5	3,391	3,588	3,588	6,900	3,795	4,140	3,519	3,933	3,312	3,726	4,485	3,450	2,415	2,898
08-CHA14	39,775	42,090	40,020	60,720	40,710	41,400	40,710	42,780	37,950	42,090	43,125	32,982	31,050	30,015
09-BVL15	57,702	61,770	58,220	71,000	63,900	63,900	61,770	70,290	63,900	63,900	60,066	58,504	42,600	49,700
	152,816	167,399	161,236	222,210	165,755	164,885	164,253	178,610	161,815	169,052	165,328	145,302	123,884	128,160
	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc
01-OKO7	3,493	3,993	4,290	4,950	4,422	4,455	3,630	3,795	4,455	3,960	3,432	3,366	3,663	3,267
02-HUT9	4,627	5,120	5,824	7,840	5,120	4,800	5,824	5,504	5,600	5,952	6,208	4,672	3,520	3,904
03-AUS7	4,022	4,736	4,288	6,720	4,448	3,840	4,736	4,896	4,352	4,544	4,480	3,904	4,096	3,904
04-MEN7	3,912	4,500	4,650	6,600	4,440	4,440	4,380	4,770	4,200	4,440	4,440	4,260	3,930	3,330
05-HW12	8,165	9,600	8,640	12,800	8,320	8,320	8,576	9,728	7,840	8,768	8,288	7,232	7,072	6,848
06-SPR5	1,523	1,612	1,612	3,100	1,705	1,860	1,581	1,767	1,488	1,674	2,015	1,550	1,085	1,302
08-CHA14	17,870	18,910	17,980	27,280	18,290	18,600	18,290	19,220	17,050	18,910	19,375	14,818	13,950	13,485
09-BVL15	23,568	25,230	23,780	29,000	26,100	26,100	25,230	28,710	26,100	26,100	24,534	23,896	17,400	20,300
	67,180	73,701	71,064	98,290	72,845	72,415	72,247	78,390	71,085	74,348	72,772	63,698	54,716	56,340

ACUTAL

	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0	GB0
01-OKO7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
02-HUT9	-	-	-	-	-	-	-	-	-	-	-	-	-	-
03-AUS7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
04-MEN7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
05-HW12	-	-	-	-	-	-	-	-	-	-	-	-	-	-
06-SPR5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
08-CHA14	-	-	-	-	-	-	-	-	-	-	-	-	-	-
09-BVL15	-	-	-	-	-	-	-	-	-	-	-	-	-	-
	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc	Conc
01-OKO7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
02-HUT9	-	-	-	-	-	-	-	-	-	-	-	-	-	-
03-AUS7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
04-MEN7	-	-	-	-	-	-	-	-	-	-	-	-	-	-
05-HW12	-	-	-	-	-	-	-	-	-	-	-	-	-	-
06-SPR5	-	-	-	-	-	-	-	-	-	-	-	-	-	-
08-CHA14	-	-	-	-	-	-	-	-	-	-	-	-	-	-
09-BVL15	-	-	-	-	-	-	-	-	-	-	-	-	-	-

V5

CW 38	CW 39	CW 40	CW 41	CW 42	CW 43	CW 44	CW 45
6/5 - 6/11	6/12 - 6/18	6/19 - 6/25	6/26 - 7/2	7/3 - 7/9	7/10 - 7/16	7/17 - 7/23	7/24 - 7/31

GB0	GB0	GB0	GB0	GB0	GB0	GB0
15,142	15,611	18,626	22,378	31,423	21,574	23,249
16,592	14,824	20,332	26,520	26,656	23,732	22,100
12,784	14,552	16,048	19,380	21,760	16,864	19,176
12,320	13,230	15,680	19,530	22,540	18,900	17,080
23,868	22,304	30,600	40,120	40,800	31,960	33,320
7,452	6,210	7,590	9,108	8,832	6,762	7,935
45,540	47,610	56,580	64,860	65,895	56,304	58,650
70,290	79,520	103,660	120,700	119,990	103,660	107,210
203,988	213,861	269,116	322,596	337,896	279,756	288,720

ACUTAL

3 of 3

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:	Case No. 10-46834
MIDWEST THEATRES CORPORATION,	Chapter 11
Debtor.	

MEMORANDUM OF LAW

This memorandum of law is submitted in support of the Debtor's Motion for Order Authorizing Continued Use of Cash Collateral and Granting Adequate Protection. A hearing has been scheduled for **2:00 p.m. on January 12, 2011.**

FACTS

The factual basis for this memorandum are set forth in the verified Motion and incorporated herein. All capitalized terms not defined herein have the meaning ascribed in the Motion.

LEGAL ARGUMENT

11 U.S.C. §363(c)(2) provides that a debtor may use cash collateral only with the consent of each entity that has an interest in such cash collateral, or if the court, after notice and a hearing, authorizes such use. Use of cash collateral must be restricted or conditioned as is necessary to provide adequate protection to any entity that has an interest in the property which the Debtor proposes to use. 11 U.S.C. §363(e). In this case, the Debtor proposes to use cash collateral through December 4, 2010, to the extent necessary to operate his business in the ordinary course according to the Budget attached to the Motion as Exhibit A. As adequate protection, the Debtor proposes

replacement liens and reporting of information to secured parties. The Debtor also proposes to make certain interest payments to secured parties.

The Eighth Circuit Court of Appeals has stated:

In any given case, the bankruptcy court must necessarily (i) establish the value of the secured creditor's interest, (ii) identify the risk to the secured creditor's value resulting from the debtor's request for use of cash collateral, and (iii) determine whether the debtor's adequate protection proposal protects value as nearly as possible against risks to that value consistent with the concept of indubitable equivalence.

In re Martin, 761 F.2d 472, 476-77 (8th Cir. 1985). The adequate protection offered by the Debtor satisfies the requirements imposed by the Bankruptcy Code and stated by the Eighth Circuit, and does not prejudice the rights of other creditors.

CONCLUSION

The Debtor respectfully requests that an order be entered granting his Motion authorizing the use of cash collateral in accordance with the terms of the Budget attached to the Motion and authorizing the grant of adequate protection as set forth in the Motion.

Dated: December 23, 2010

RAVICH MEYER KIRKMAN McGRATH
NAUMAN & TANSEY,
A PROFESSIONAL ASSOCIATION

By /e/ Michael F. McGrath #168610
Will R. Tansey #323056
4545 IDS Center
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Telephone: (612) 332-8511
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ATTORNEYS FOR DEBTOR

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No. 10-46834

MIDWEST THEATRES CORPORATION,

Chapter 11

Debtor.

UNSWORN CERTIFICATE OF SERVICE

I, Michael F. McGrath, declare under penalty of perjury that on December 23, 2010 I served copies of the attached:

1. Notice of Hearing and Motion for Order Authorizing Continued Use of Cash Collateral and Granting Adequate Protection;
2. Memorandum of Law; and
3. Proposed Order Authorizing Continued Use of Cash Collateral and Granting Adequate Protection;

were served by sending to each party a copy thereof as noted on the attached Service List.

Executed on: December 23, 2010

/e/ Michael F. McGrath, #168610

ELECTRONIC
MIDWEST THEATRES CORPORATION
4300 O'DAY AVENUE NE
ST. MICHAEL, MN 55376

ELECTRONIC
SARAH J. WENCIL
OFFICE OF US TRUSTEE
1015 US COURTHOUSE
300 SOUTH FOURTH STREET
MINNEAPOLIS, MN 55415

ELECTRONIC
MICHAEL RIDGWAY, ESQ.
OFFICE OF US TRUSTEE
1015 US COURTHOUSE
300 SOUTH FOURTH STREET
MINNEAPOLIS, MN 55415

IRS DISTRICT COUNSEL
ATTN: OFFICER OR AGENT AUTHORIZED
TO ACCEPT SERVICE
380 JACKSON STREET, SUITE 650
ST. PAUL, MN 55101-4804

INTERNAL REVENUE SERVICE
ATTN: OFFICER OR AGENT AUTHORIZED
TO ACCEPT SERVICE
WELLS FARGO PLACE
30 E. SEVENTH STREET
MAIL STOP 5700
ST. PAUL, MN 55101

MN DEPARTMENT OF REVENUE
ATTN: OFFICER OR AGENT AUTHORIZED
TO ACCEPT SERVICE
COLLECTION ENFORCEMENT
551 BANKRUPTCY SECTION
PO BOX 64447
ST. PAUL, MN 55164

US ATTORNEY
ATTN: OFFICER OR AGENT AUTHORIZED
TO ACCEPT SERVICE
600 US COURTHOUSE
300 S. FOURTH STREET
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MINNESOTA DEPARTMENT OF REVENUE
C/O SALES & USE TAX PROCESSING
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COMMITTEE - ELECTRONIC
CHATEAU THEATERS, INC.
ATTN: MARK L. STEEGE
221 - 1ST AVENUE SW, SUITE 300
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COMMITTEE - ELECTRONIC
MN THEATERS 2006, LLC-iSTAR FINANCIAL
1114 AVENUE OF THE AMERICAS, 38TH FL.
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COMMITTEE
CREDITORS OF CLARK PRODUCTS
5750 OLD ORCHARD ROAD, SUITE 520
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PEDERSEN & HOUP
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RICKE & SWEENEY, P.A.
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1400 AT&T TOWER
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C/O KAARIN K. FOEDE, ESQ.
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ELECTRONIC
THE BUSINESS BANK - UNITED COMMUNITY BANK
C/O JOSEPH W. LAWVER, ESQ.
MESSERLI & KRAMER PA
150 S. FIFTH STREET STE 1800
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ELECTRONIC
CITIZENS STATE BANK
C/O T. CHRIS STEWART, ESQ.
ANASTASI & ASSOCIATES, P.A.
14985 60th STREET NORTH
STILLWATER, MN 55082

ELECTRONIC
CITY OF ST. PETER
ATTN: TODD PRAFKE, CITY ADMINISTRATOR
227 S. FRONT STREET
ST. PETER, MN 56082-2513

ELECTRONIC
NICOLLET COUNTY BANK
C/O MICHAEL K. RILEY, ESQ.
MACKENZIE & GUSTAFSON, LTD.
326 MINNESOTA AVENUE S.
PO BOX 360
ST. PETER, MN 56082-0360

ELECTRONIC
MN THEATERS 2006, LLC-ISTAR FINANCIAL INC.
ATTN: BARCLAY JONES
1114 AVENUE OF THE AMERICAS, 38TH FLOOR
NEW YORK, NY 10036

ELECTRONIC
MN THEATERS 2006, LLC-ISTAR FINANCIAL INC.
C/O MARK J. KALLA, ESQ.
DORSEY & WHITNEY, LLP
50 S. SIXTH STREET, SUITE 1500
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50 S. SIXTH STREET, SUITE 1500
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ELECTRONIC
MN THEATERS 2006, LLC-ISTAR FINANCIAL INC.
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MN THEATERS 2006, LLC-ISTAR FINANCIAL INC.
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KATTEN MUCHIN ROSENMAN LLP
525 WEST MONROE STREET, SUITE 1900
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ELECTRONIC
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ELECTRONIC
COLE CN ROCHESTER MN, LLC
ATTN: MARK SELMAN
2555 CAMELBACK ROAD, SUITE 400
PHOENIX, AZ 85016

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JEFFREY WEGNER, ESQ.
KUTAK ROCK LLP
THE OMAHA BUILDING
1650 FARNAM STREET
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December 23, 2010

**UNITED STATES BANKRUPTCY COURT
DISTRICT OF MINNESOTA**

In re:

Case No. 10-46834

MIDWEST THEATRES CORPORATION,

Chapter 11

Debtor.

**ORDER AUTHORIZING CONTINUED USE OF CASH COLLATERAL
AND GRANTING ADEQUATE PROTECTION**

This matter is before the Court on the Debtor's Motion for Order Authorizing Continued Use of Cash Collateral and Granting Adequate Protection. Based on that Motion and this Court having determined that the Debtor's offer of adequate protection constitutes adequate protection of the secured parties' interests under 11 U.S.C. §§ 361 and 363,

IT IS HEREBY ORDERED:

1. The Debtor's Motion is granted.
2. The Debtor is authorized to use cash collateral in accordance with the terms of the Budget filed in support of the Motion through May 8, 2011.
3. The Debtor is authorized to enter into the First Amended Stipulation for Use of Cash Collateral with First Minnesota Bank and United Community Bank dated January 12, 2011, ("First Amended Stipulation") and the terms and conditions of the First Amended Stipulation are hereby approved.

4. The offers of adequate protection as set forth in the Motion and First Amended Stipulation are hereby approved. Replacement liens granted to lenders shall have the same dignity, priority and effect as the prepetition liens.

Dated:

Nancy C. Dreher
Chief United States Bankruptcy Judge